CITY OF MAPLE VALLEY, WASHINGTON

RESOLUTION NO. R-19-1412

A RESOLUTION OF THE CITY OF MAPLE VALLEY, WASHINGTON, DECLARING THE INTENT OF THE CITY TO ADOPT LEGISLATION TO AUTHORIZE A SALES AND USE TAX FOR AFFORDABLE HOUSING IN ACCORDANCE WITH SUBSTITUTE HOUSE BILL 1406 (CHAPTER 338, LAWS OF 2019), AND OTHER MATTERS RELATED THERETO.

WHEREAS, in the 2019 Regular Session, the Washington State Legislature approved Substitute House Bill 1406 (Chapter 338, Laws of 2019) ("SHB 1406"); and

WHEREAS, SHB 1406 authorizes the governing body of a city or county to impose a local sales and use tax for the acquisition, construction or rehabilitation of affordable housing or facilities providing supportive housing; and

WHEREAS, the tax will be credited against sales and use taxes collected within the City of Maple Valley (the "City") by the State of Washington and, therefore, will not result in higher sales and use taxes within the City and will represent an additional source of funding to address housing needs in the City; and

WHEREAS, revenue received from the sales and use tax must be used to assist persons whose income is at or below 60% of King County's median income; and

WHEREAS, the City has determined that there is a demand and need for affordable housing and that imposing the sales and use tax to address this need will benefit its citizens; and

WHEREAS, in order for a city or county to impose the sales and use tax permitted by SHB 1406, within six months of the effective date of SHB 1406, or January 31, 2020, the governing body of the city or county must adopt a resolution of intent to authorize the maximum capacity of the tax, and within twelve months of the effective date of SHB 1406, or July 28, 2020, must adopt legislation authorizing the maximum capacity of the tax; and

WHEREAS, this resolution constitutes the resolution of intent required by SHB 1406; and

WHEREAS, the City Council now desires to declare its intent to impose a local sales and use tax as authorized by SHB 1406 as set forth herein;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MAPLE VALLEY, WASHINGTON, DO ORDAIN AS FOLLOWS:

<u>Section 1. Resolution of Intent</u>: The City Council declares its intent to adopt legislation to authorize the maximum capacity of the sales and use tax as authorized by SHB 1406 within one year of the effective date of SHB 1406 or by July 28, 2020.

<u>Section 2. Further Authority; Ratification:</u> All City officials, their agents and representatives are hereby authorized and directed to take all action necessary or desirable from time to time to carry out the terms of, and complete the actions contemplated by, this resolution. All acts taken pursuant to the authority of this resolution but prior to its effective date are hereby ratified.

<u>Section 3. Severability</u>. The provisions of this Resolution are declared separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section or portion of this Resolution or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of the Resolution, or the validity of its application to other persons or circumstances.

Section 4. Effective Date. This resolution shall take effect immediately upon passage.

PASSED BY THE CITY COUNCIL OF THE CITY OF MAPLE VALLEY, WASHINGTON, AT A SPECIAL REGULAR BUSINESS MEETING THEREOF THIS $2^{\rm ND}$ DAY OF DECEMBER 2019.

	CITY OF MAPLE VALLEY, WASHINGTON
	Sean P. Kelly, Mayor
ATTEST/AUTHENTICATED:	
Shaunna Lee-Rice, MMC, City Clerk	
APPROVED AS TO FORM:	
Patricia Taraday, City Attorney	